

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF EAST DAVIESS COUNTY) CASE NO. 2012-00159
WATER ASSOCIATION)

ORDER

On April 27, 2012, East Daviess County Water Association ("East Daviess") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. East Daviess purchases water from Owensboro Municipal Utilities ("Owensboro").

2. Owensboro notified East Daviess that, effective June 1, 2012, its volumetric wholesale rate to East Daviess will decrease from \$1.36 per 1,000 gallons to \$1.20 per 1,000 gallons.

3. East Daviess proposes a purchased water adjustment factor of (\$0.12) per 1,000 gallons.

4. During the 12 months ended March 31, 2012, East Daviess purchased 293,899,000 gallons of water from Owensboro and sold 246,075,202 gallons. The decrease in the cost of purchased water is (\$47,023.84) resulting in a purchased water

¹ KRS 278.012; 807 KAR 5:068.

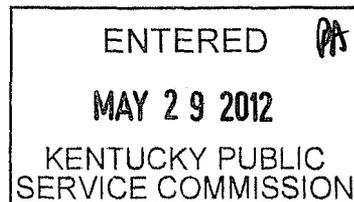
adjustment factor of (\$0.19) per 1,000 gallons. When calculating the purchased water adjustment factor, East Daviess used the incorrect number of gallons sold and obtained.

5. The purchased water adjustment factor of (\$0.19) per 1,000 gallons is fair, just, and reasonable and should be approved.

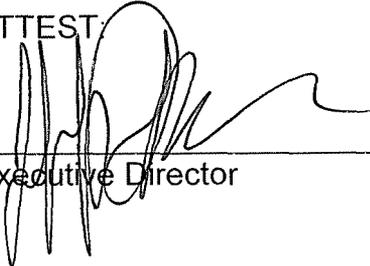
IT IS THEREFORE ORDERED that:

1. The rates proposed by East Daviess are denied.
2. The purchased water adjustment factor of (\$0.19) per 1,000 gallons as calculated in Appendix A is approved.
3. The rates in Appendix B are fair, just, and reasonable and are approved for services on or after June 1, 2012.
4. Within 20 days of the date of this Order, East Daviess shall file with the Commission a revised tariff sheet showing the rates approved herein.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00159 DATED **MAY 29 2012**

	New Rate	Base Rate
Owensboro		
Purchases in gallons	293,899,000	293,899,000
Volumetric rate	<u>\$ 1.20/1,000</u>	<u>\$ 1.36/1,000</u>
	\$352,678.80	\$399,702.64
	Decreased water cost	(\$47,023.84)

Decreased water cost	(\$47,023.84)
Divided by gallons sold / 1,000	<u>246,075,202</u>
Purchased water adjustment factor	(\$0.19109) per 1,000 gallons or (.19) per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2012-00159 DATED **MAY 29 2012**

The following rates and charges are prescribed for the customers in the area served by East Daviess County Water Association. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8" x 3/4" Meter

First	2,000 gallons	\$13.97	Minimum Bill
Next	4,000 gallons	4.66	per 1,000 gallons
Next	44,000 gallons	3.71	per 1,000 gallons
Over	50,000 gallons	3.01	per 1,000 gallons

3/4" Meter

First	3,000 gallons	\$18.63	Minimum Bill
Next	3,000 gallons	4.66	per 1,000 gallons
Next	44,000 gallons	3.71	per 1,000 gallons
Over	50,000 gallons	3.01	per 1,000 gallons

1" Meter

First	6,000 gallons	\$32.61	Minimum Bill
Next	44,000 gallons	3.71	per 1,000 gallons
Over	50,000 gallons	3.01	per 1,000 gallons

1 1/2" Meter

First	10,000 gallons	\$47.45	Minimum Bill
Next	40,000 gallons	3.71	per 1,000 gallons
Over	50,000 gallons	3.01	per 1,000 gallons

2" Meter

First	20,000 gallons	\$88.35	Minimum Bill
Next	30,000 gallons	3.71	per 1,000 gallons
Over	50,000 gallons	3.01	per 1,000 gallons

Frankie Fulkerson
Manager
East Daviess County Water Association, Inc.
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